

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 30, 2011
POSITION: Neutral

BILL NUMBER: SB 948
AUTHOR: Senate Governance and Finance

SPONSOR: California Association of County Treasurer-Tax Collectors

BILL SUMMARY: Property Taxation

This bill is the annual housekeeping measure sponsored by the California Association of County Treasurer-Tax Collectors to make minor, technical changes and corrections to property tax law.

FISCAL SUMMARY

Finance estimates this bill would have no state General Fund impact.

COMMENTS

Under current law, treasurer-tax collectors (TTCs) must provide notice to the right to claim proceeds to the last known parties of interest in a tax sale that exceeds \$150. If the treasurer-tax collector cannot obtain the address, he or she must publish notice in a newspaper of general circulation in the county.

This bill would allow treasurer-tax collectors not to publish the notice in a newspaper of general circulation if the costs of publication exceed the amount of the tax sale's proceeds.

Existing law permits third party agents to occasionally seek to recover excess proceeds on behalf of individuals, and submit blanket claims to the TTC with only the name of an individual, but not the source of the proceeds that he or she may be entitled to receive. The agents file the claims hoping to find proceeds that can then be marketed to the individual contingent on a finder's fee, often exceeding 50 percent.

This bill would require agents to submit proof of the source of excess proceeds to which the individual is entitled, so that agents that know specific sources of proceeds can claim proceeds unhindered, but those who do not cannot submit blanket claims.

Current law requires the TTC to publish specified notices in newspapers or three public places in each township.

This bill would revise provisions dealing with the correction of errors in publications published by a TTC to specify that the TTC has 60 days after the original publication to republish, and specifies that the re-publication may not affect the right of a taxpayer, assessee, or other private party in a material way.

Under existing law, taxpayers file property tax protests with the county clerks, and make payments to the TTC, however, the Revenue and Taxation Code states that taxpayers must submit payments and protest claims with the TTC.

This bill would clarify that taxpayers file protests with the county clerk, and pay taxes to the TTC, and corrects other incorrect cross references pertaining to the payment of interest on refunds to taxpayers.

Analyst/Principal (0762) C. Hill	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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Senate Governance and Finance

June 30, 2011

SB 948

Current law prohibits assessors from disclosing information and records, unless specifically exempted.

This bill would require assessors to disclose information to TTCs that assists TTCs with tax sales, such as notifying potential parties of interest. The TTC would be required to submit a written request certifying that he or she needs the information to help administer the tax sale law, which would not include social security numbers. The assessor would be permitted to charge the TTC for his or her costs, which the TTC would be required to add to the delinquent tax amount. Any confidential information provided TTCs by assessors would remain confidential and not subject to public disclosure.

Existing law allows any county department, officer, or employee that collects taxes, penalties, or other costs to file an application for a "discharge of accountability" whenever the costs of collection exceed the revenue collected.

This bill makes technical corrections to the Revenue and Tax Code to conform to 2010 legislative changes enacted in the Government Code for procedure for filing for a discharge of accountability.

Under existing law, if a taxpayer make payments on the wrong property. If the taxpayer can prove by substantial evidence that the payment was intended for another property, the TTC cancels the credit on the unintended property and applies it to the correct property within a specified time period. TTCs cancel the payment and refund the amount when the taxpayer does not intend the payment to apply to another property.

This bill would require the TTC to transfer the payment to the intended property or refund the payment to the taxpayer within 60 days of verifying the mistake, or the date that the payment is not subject to chargeback, dishonor, or reversal.

Under current law, whenever a TTC proposes property for a tax sale, the TTC may remove the parcel upon the recommendation from the county counsel that the removal is in the best interest of the county. The TTC collector must notify the State Controller's Office (SCO) whenever a parcel is removed.

This bill would delete the requirement to notify the SCO.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Code
0001/Major Rev	SO	No	-----	No/Minor Fiscal Impact -----				0001	